

***Senator Jack Reed (D-RI), Ranking Democrat,
Joint Economic Committee***

Social Security Facts

Who gets Social Security?

- 48 million people receive Social Security benefits each month, including
 - 30 million retired workers
 - 4.8 million widows and widowers
 - 6.2 million disabled workers
 - 4.0 million children

How important are Social Security benefits?

- More than 90 percent of people aged 65 or older receive Social Security.
- Nearly 2 in 3 recipients receive half or more of their income from Social Security.
- About 1 in 5 recipients get all of their income from Social Security.
- Without Social Security, nearly half of all seniors 65 and older would live in poverty.

What is the insurance value of Social Security?

- For a young family, Social Security is equivalent to a \$350,000 disability insurance and \$400,000 life insurance policy.
- A 20-year-old stands nearly a 3 in 10 chance of becoming disabled before age 65, according to the Social Security Administration.
- For nearly half of disabled-worker beneficiaries, Social Security provides half or more of their family income.

Does Social Security face a financial crisis in the future?

- Social Security Trust Fund assets were over \$1.7 trillion at the end of 2004.
- Trust Fund assets will peak at over \$3.6 trillion (in today's dollars) by the end of 2021.

- The Social Security Trust Fund will remain solvent until 2041 (2052 according to CBO).
- Even after 2041/2052, Social Security will still be able to pay 70 to 80 percent of scheduled benefits from annual tax revenues.

What is the size of the Social Security shortfall?

- \$4.0 trillion (or 0.6% of cumulative GDP) in today's dollars according to the Social Security Trustees.
- \$2.1 trillion (0.4% of GDP) according to CBO.
- The 75-year cost of making the Bush tax cuts permanent is about 2 percent of GDP – three to five times the size of the Social Security shortfall.

Estimates of Social Security's Solvency		
	CBO	SSA
Key Dates		
Annual spending exceeds annual tax revenue, excluding interest income	2020	2017
Annual spending exceeds annual tax revenue, including interest income	2033	2027
Trust Fund no longer able to pay full benefits	2052	2041
Percentage of scheduled benefits able to be paid	78% in 2052	74% in 2041

For more Social Security facts, go to:
www.jec.senate.gov/democrats